GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4513
ANSWERED ON:25.08.2005
IRREGULARITIES IN ALLOTMENT OF PETROL PUMPS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a): whether it has come to the notice of the Government that the public sector oil companies are arbitrarily allotting petrol pumps to the land owners;

(b): if so, the number of such complaints received during 2004-05 and the current year so far;

(c): whether the Government has taken any concrete measures to check irregularities in allotment of petrol pumps; and

(d): if so, the details thereof?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) : Earlier, public sector oil marketing companies (OMCs) were permitted in their guidelines to allot retail outlet dealerships (petrol pumps) to land owners who offered land without recourse to advertisements. Since this provision was not transparent enough, this was reviewed by the Government, and the OMCs were advised to adopt the following procedure:-

"The OMCs should, after receipt of direct offers of land, assess the viability of the location and if the same is found viable, OMCs must release an advertisement in two leading newspapers, which are in circulation in the area, stating the fact that they have received offer(s) of land for dealerships, etc., and are inviting similar offers from others. Further, these advertisements must indicate that the final selection of the dealer will be on the basis of evaluation of the lands offered and evaluation of the candidates in respect of other parameters as provided for in the guidelines".

(b) to (d) : During the year 2004-05 and the period April-June, 2005, the OMCs received 98 and 19 complaints respectively relating to the award of dealerships to land owners. Such complaints are dealt with by the OMCs as per the grievance redressal mechanism provided for in their guidelines for the selection of dealers/distributors. These guidelines of OMCs, which have been framed by them based on certain broad parameters advised to them by the Government, are objective and transparent. The Government also receive complaints from time to time against the selection of dealers. Depending on merits, such complaints are enquired into through the OMCs/ Chief Vigilance Officers of OMCs and remedial action taken wherever necessary.